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How Far They Agree and Wherein They Differ
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Probably no agitation has ever attained the magnitude, either in the number of its recruits or the area of its influence, which has been attained by Modern Socialism, and at the same time been so little understood and so misunderstood, not only by the hostile and the indifferent, but by the friendly, and even by the great mass of its adherents themselves. This unfortunate and highly dangerous state of things is due partly to the fact that the human relationships which this movement—if anything so chaotic can be called a movement—aims to transform, involve no special class or classes, but literally all mankind; partly to the fact that these relationships are infinitely more varied and complex in their nature than those with which any special reform has ever been called upon to deal; and partly to the fact that the great moulding forces of society, the channels of information and enlightenment, are well-nigh exclusively under the control of those whose immediate pecuniary interests are antagonistic to the bottom claim of Socialism that labor should be put in possession of its own.

Almost the only persons who may be said to comprehend even approximately the significance, principles, and purposes of Social-

ism are the chief leaders of the extreme wings of the Socialistic forces, and perhaps a few of the money kings themselves. It is a subject of which it has lately become quite the fashion for preacher, professor, and penny-a-liner to treat, and, for the most part, woeful work they have made with it, exciting the derision and pity of those competent to judge. That those prominent in the intermediate Socialistic divisions do not fully understand what they are about is evident from the positions they occupy. If they did; if they were consistent, logical thinkers; if they were what the French call consequent men,—their reasoning faculties would long since have driven them to one extreme or the other.

For it is a curious fact that the two extremes of the vast army now under consideration, though united, as has been hinted above, by the common claim that labor shall be put in possession of its own, are more diametrically opposed to each other in their fundamental principles of social action and their methods of reaching the ends aimed at than either is to their common enemy, the existing society. They are based on two principles the history of whose conflict is almost equivalent to the history of the world since man came into it; and all intermediate parties, including that of the upholders of the existing society, are based upon a compromise between them. It is clear, then, that any intelligent, deep-rooted opposition to the prevailing order of things must come from one or the other of these extremes, for anything from any other source, far from being revolutionary in character, could be only in the nature of such superficial modification as would be utterly unable to concentrate upon itself the degree of attention and interest now bestowed upon Modern Socialism.

The two principles referred to are **Authority** and **Liberty**, and the names of the two schools of Socialistic thought which fully and unreservedly represent one or the other of them are, respectively, State Socialism and Anarchism. Whoso knows what these two schools want and how they propose to get it understands the Socialistic movement. For, just as it has been said that there is no

half-way house between Rome and Reason, so it may be said that there is no half-way house between State Socialism and Anarchism. There are, in fact, two currents steadily flowing from the center of the Socialistic forces which are concentrating them on the left and on the right; and, if Socialism is to prevail, it is among the possibilities that, after this movement of separation has been completed and the existing order have been crushed out between the two camps, the ultimate and bitterer conflict will be still to come. In that case all the eight-hour men, all the trades-unionists, all the Knights of Labor, all the land nationalizationists, all the greenbackers, and, in short, all the members of the thousand and one different battalions belonging to the great army of Labor, will have deserted their old posts, and, these being arrayed on the one side and the other, the great battle will begin. What a final victory for the State Socialists will mean, and what a final victory for the Anarchists will mean, it is the purpose of this paper to briefly state.

To do this intelligently, however, I must first describe the ground common to both, the features that make Socialists of each of them.

The economic principles of Modern Socialism are a logical deduction from the principle laid down by Adam Smith in the early chapters of his Wealth of Nations,—namely, that labor is the true measure of price. But Adam Smith, after stating this principle most clearly and concisely, immediately abandoned all further consideration of it to devote himself to showing what actually does measure price, and how, therefore, wealth is at present distributed. Since his day nearly all the political economists have followed his example by confining their function to the description of society as it is, in its industrial and commercial phases. Socialism, on the contrary, extends its function to the description of society as it should be, and the discovery of the means of making it what it should be. Half a century or more after Smith enunciated the principle above stated, Socialism picked it up where he had dropped it, and in following it to its logical conclusions, made it the basis of a new economic philosophy.

This seems to have been done independently by three different men, of three different nationalities, in three different languages: Josiah Warren, an American; Pierre J. Proudhon, a Frenchman; Karl Marx, a German Jew. That Warren and Proudhon arrived at their conclusions singly and unaided is certain; but whether Marx was not largely indebted to Proudhon for his economic ideas is questionable. However this may be, Marx's presentation of the ideas was in so many respects peculiarly his own that he is fairly entitled to the credit of originality. That the work of this interesting trio should have been done so nearly simultaneously would seem to indicate that Socialism was in the air, and that the time was ripe and the conditions favorable for the appearance of this new school of thought. So far as priority of time is concerned, the credit seems to belong to Warren, the American,—a fact which should be noted by the stump orators who are so fond of declaiming against Socialism as an imported article. Of the purest revolutionary blood, too, this Warren, for he descended from the Warren who fell at Bunker Hill.

From Smith's principle that labor is the true measure of price—or, as Warren phrased it, that cost is the proper limit of price—these three men made the following deductions: that the natural wage of labor is its product; that this wage, or product, is the only just source of income (leaving out, of course, gift, inheritance, etc.); that all who derive income from any other source abstract it directly or indirectly from the natural and just wage of labor; that this abstracting process generally takes one of three forms,—interest, rent, and profit; that these three constitute the trinity of usury, and are simply different methods of levying tribute for the use of capital; that, capital being simply stored-up labor which has already received its pay in full, its use ought to be gratuitous, on the principle that labor is the only basis of price; that the lender of capital is entitled to its return intact, and nothing more; that the only reason why the banker, the stockholder, the landlord, the manufacturer, and the merchant are able to exact usury from labor lies in the fact that

The product to the producer.

There are only these two Socialisms.

One is the infancy of Socialism; the other is its manhood.

One is already the past; the other is the future.

One will give place to the other.

Today each of us must choose for the one or the other of these two Socialisms, or else confess that he is not a Socialist.

they are backed by legal privilege, or monopoly; and that the only way to secure labor the enjoyment of its entire product, or natural wage, is to strike down monopoly.

It must not be inferred that either Warren, Proudhon, or Marx used exactly this phraseology, or followed exactly this line of thought, but it indicates definitely enough the fundamental ground taken by all three, and their substantial thought up to the limit to which they went in common. And, lest I may be accused of stating the positions and arguments of these men incorrectly, it may be well to say in advance that I have viewed them broadly, and that, for the purpose of sharp, vivid, and emphatic comparison and contrast, I have taken considerable liberty with their thought by rearranging it in an order, and often in a phraseology, of my own, but, I am satisfied, without, in so doing, misrepresenting them in any essential particular.

It was at this point—the necessity of striking down monopoly—that came the parting of their ways. Here the road forked. They found that they must turn either to the right or to the left,—follow either the path of Authority or the path of Liberty. Marx went one way; Warren and Proudhon the other. Thus were born State Socialism and Anarchism.

First, then, State Socialism, which may be described as *the doctrine that all the affairs of men should be managed by the government, regardless of individual choice.*

Marx, its founder, concluded that the only way to abolish the class monopolies was to centralize and consolidate all industrial and commercial interests, all productive and distributive agencies, in one vast monopoly in the hands of the State. The government must become banker, manufacturer, farmer, carrier, and merchant, and in these capacities must suffer no competition. Land, tools, and all instruments of production must be wrested from individual hands, and made the property of the collectivity. To the individual can belong only the products to be consumed, not the means of producing them. A man may own his clothes and his food, but not the

sewing-machine which makes his shirts or the spade which digs his potatoes. Product and capital are essentially different things; the former belongs to individuals, the latter to society. Society must seize the capital which belongs to it, by the ballot if it can, by revolution if it must. Once in possession of it, it must administer it on the majority principle, though its organ, the State, utilize it in production and distribution, fix all prices by the amount of labor involved, and employ the whole people in its workshops, farms, stores, etc. The nation must be transformed into a vast bureaucracy, and every individual into a State official. Everything must be done on the cost principle, the people having no motive to make a profit out of themselves. Individuals not being allowed to own capital, no one can employ another, or even himself. Every man will be a wage-receiver, and the State the only wage-payer. He who will not work for the State must starve, or, more likely, go to prison. All freedom of trade must disappear. Competition must be utterly wiped out. All industrial and commercial activity must be centered in one vast, enormous, all-inclusive monopoly. The remedy for *monopolies* is **monopoly**.

Such is the economic programme of State Socialism as adopted from Karl Marx. The history of its growth and progress cannot be told here. In this country the parties that uphold it are known as the Socialistic Labor Party, which pretends to follow Karl Marx; the Nationalists, who follow Karl Marx filtered through Edward Bellamy; and the Christian Socialists, who follow Karl Marx filtered through Jesus Christ.

What other applications this principle of Authority, once adopted in the economic sphere, will develop is very evident. It means the absolute control by the majority of all individual conduct. The right of such control is already admitted by the State Socialists, though they maintain that, as a matter of fact, the individual would be allowed a much larger liberty than he now enjoys. But he would only be allowed it; he could not claim it as his own. There would be no foundation of society upon a guaranteed equal-

One would be followed by the most atrocious of reactions.

The other opens unlimited horizons to progress.

The first will fail; the other will succeed.

Both desire equality.

One by lowering heads that are too high.

The other by raising heads that are too low.

One sees equality under a common yoke.

The other will secure equality in complete liberty.

One is intolerant, the other tolerant.

One frightens, the other reassures.

The first wishes to instruct everybody.

The second wishes to enable everybody to instruct himself.

The first wishes to support everybody.

The second wishes to enable everybody to support himself.

One says:

The land to the State.

The mine to the State.

The tool to the State.

The product to the State.

The other says:

The land to the cultivator.

The mine to the miner.

The tool to the laborer.

The second knows that social progress will result from the free play of individual efforts.

Both understand that we are entering upon a new historic phase.

One wishes that there should be none but proletaires.

The other wishes that there should be no more proletaires.

The first wishes to take everything away from everybody.

The second wishes to leave each in possession of its own.

The one wishes to expropriate everybody.

The other wishes everybody to be a proprietor.

The first says: 'Do as the government wishes.'

The second says: 'Do as you wish yourself.'

The former threatens with despotism.

The latter promises liberty.

The former makes the citizen the subject of the State.

The latter makes the State the employee of the citizen.

One proclaims that labor pains will be necessary to the birth of a new world.

The other declares that real progress will not cause suffering to any one.

The first has confidence in social war.

The other believes only in the works of peace.

One aspires to command, to regulate, to legislate.

The other wishes to attain the minimum of command, of regulation, of legislation.

ity of the largest possible liberty. Such liberty as might exist would exist by sufferance and could be taken away at any moment. Constitutional guarantees would be of no avail. There would be but one article in the constitution of a State Socialistic country: The right of the majority is absolute.

The claim of the State Socialists, however, that this right would not be exercised in matters pertaining to the individual in the more intimate and private relations of his life is not borne out by the history of governments. It has ever been the tendency of power to add to itself, to enlarge its sphere, to encroach beyond the limits set for it; and where the habit of resisting such encroachment is not fostered, and the individual is not taught to be jealous of his rights, individuality gradually disappears and the government or State becomes the all-in-all. Control naturally accompanies responsibility. Under the system of State Socialism, therefore, which holds the community responsible for the health, wealth, and wisdom of the individual, it is evident that the community, through its majority expression, will insist more and more in prescribing the conditions of health, wealth, and wisdom, thus impairing and finally destroying individual independence and with it all sense of individual responsibility.

Whatever, then, the State Socialists may claim or disclaim, their system, if adopted, is doomed to end in a State religion, to the expense of which all must contribute and at the altar of which all must kneel; a State school of medicine, by whose practitioners the sick must invariably be treated; a State system of hygiene, prescribing what all must and must not eat, drink, wear, and do; a State code of morals, which will not content itself with punishing crime, but will prohibit what the majority decide to be vice; a State system of instruction, which will do away with all private schools, academies, and colleges; a State nursery, in which all children must be brought up in common at the public expense; and, finally, a State family, with an attempt at stirpiculture, or scientific breeding, in which no man and woman will be allowed to have children if the State pro-

hibits them and no man and woman can refuse to have children if the State orders them. Thus will Authority achieve its acme and Monopoly be carried to its highest power.

Such is the ideal of the logical State Socialist, such the goal which lies at the end of the road that Karl Marx took. Let us now follow the fortunes of Warren and Proudhon, who took the other road,—the road of Liberty.

This brings us to Anarchism, which may be described as *the doctrine that all the affairs of men should be managed by individuals or voluntary associations, and that the State should be abolished.*

When Warren and Proudhon, in prosecuting their search for justice to labor, came face to face with the obstacle of class monopolies, they saw that these monopolies rested upon Authority, and concluded that the thing to be done was, not to strengthen this Authority and thus make monopoly universal, but to utterly uproot Authority and give full sway to the opposite principle, Liberty, by making competition, the antithesis of monopoly, universal. They saw in competition the great leveler of prices to the labor cost of production. In this they agreed with the political economists. The query then naturally presented itself why all prices do not fall to labor cost; where there is any room for incomes acquired otherwise than by labor; in a word, why the usurer, the receiver of interest, rent, and profit, exists. The answer was found in the present one-sidedness of competition. It was discovered that capital had so manipulated legislation that unlimited competition is allowed in supplying productive labor, thus keeping wages down to the starvation point, or as near it as practicable; that a great deal of competition is allowed in supplying distributive labor, or the labor of the mercantile classes, thus keeping, not the prices of goods, but the merchants' actual profits on them down to a point somewhat approximating equitable wages for the merchants' work; but that almost no competition at all is allowed in supplying capital, upon the aid of which both productive and distributive labor are dependent for their power of achievement, thus keeping the rate

One is communistic, the other solidaritarian.

One is dictatorial, the other libertarian.

One is metaphysical, the other positive.

One is dogmatic, the other scientific.

One is emotional, the other reflective.

One is destructive, the other constructive.

Both are in pursuit of the greatest possible welfare for all.

One aims to establish happiness for all, the other to enable each to be happy in his own way.

The first regards the State as a society sui generis, of an especial essence, the product of a sort of divine right outside of and above all society, with special rights and able to exact special obediences; the second considers the State as an association like any other, generally managed worse than others.

The first proclaims the sovereignty of the State, the second recognizes no sort of sovereign.

One wishes all monopolies to be held by the State; the other wishes the abolition of all monopolies.

One wishes the governed class to become the governing class; the other wishes the disappearance of classes.

Both declare that the existing state of things cannot last.

The first considers revolutions as the indispensable agent of evolutions; the second teaches that repression alone turns evolutions into revolution.

The first has faith in a cataclysm.

time as they can, will, or may. To them legal marriage and legal divorce are equal absurdities. They look forward to a time when every individual, whether man or woman, shall be self-supporting, and when each shall have an independent home of his or her own, whether it be a separate house or rooms in a house with others; when the love relations between these independent individuals shall be as varied as are individual inclinations and attractions; and when the children born of these relations shall belong exclusively to the mothers until old enough to belong to themselves.

Such are the main features of the Anarchistic social ideal. There is wide difference of opinion among those who hold it as to the best method of obtaining it. Time forbids the treatment of that phase of the subject here. I will simply call attention to the fact that it is an ideal utterly inconsistent with that of those Communists who falsely call themselves Anarchists while at the same time advocating a regime of Archism fully as despotic as that of the State Socialists themselves. And it is an ideal that can be as little advanced by Prince Kropotkine as retarded by the brooms of those Mrs. Partingtons of the bench who sentence them to prison; an ideal which the martyrs of Chicago did far more to help by their glorious death upon the gallows for the common cause of Socialism than by their unfortunate advocacy during their lives, in the name of Anarchism, of force as a revolutionary agent and authority as a safeguard of the new social order. The Anarchists believe in liberty both as an end and means, and are hostile to anything that antagonizes it.

I should not undertake to summarize this altogether too summary exposition of Socialism from the standpoint of Anarchism, did I not find the task already accomplished for me by a brilliant French journalist and historian, Ernest Lesigne, in the form of a series of crisp antithesis; by reading which to you as a conclusion of this lecture I hope to deepen the impression which it has been my endeavor to make.

There are two Socialisms.

of interest on money and of house-rent and ground-rent at as high a point as the necessities of the people will bear.

On discovering this, Warren and Proudhon charged the political economists with being afraid of their own doctrine. The Manchester men were accused of being inconsistent. The believed in liberty to compete with the laborer in order to reduce his wages, but not in liberty to compete with the capitalist in order to reduce his usury. Laissez faire was very good sauce for the goose, labor, but was very poor sauce for the gander, capital. But how to correct this inconsistency, how to serve this gander with this sauce, how to put capital at the service of business men and laborers at cost, or free of usury,—that was the problem.

Marx, as we have seen, solved it by declaring capital to be a different thing from product, and maintaining that it belonged to society and should be seized by society and employed for the benefit of all alike. Proudhon scoffed at this distinction between capital and product. He maintained that capital and product are not different kinds of wealth, but simply alternate conditions or functions of the same wealth; that all wealth undergoes an incessant transformation from capital into product and from product back into capital, the process repeating itself interminably; that capital and product are purely social terms; that what is product to one man immediately becomes capital to another, and vice versa; that if there were but one person in the world, all wealth would be to him at once capital and product; that the fruit of A's toil is his product, which, when sold to B, becomes B's capital (unless B is an unproductive consumer, in which case it is merely wasted wealth, outside the view of social economy); that a steam-engine is just as much product as a coat, and that a coat is just as much capital as a steam-engine; and that the same laws of equity govern the possession of the one that govern the possession of the other.

For these and other reasons Proudhon and Warren found themselves unable to sanction any such plan as the seizure of capital by society. But, though opposed to socializing the ownership of cap-

ital, they aimed nevertheless to socialize its effects by making its use beneficial to all instead of a means of impoverishing the many to enrich the few. And when the light burst in upon them, they saw that this could be done by subjecting capital to the natural law of competition, thus bringing the price of its own use down to cost,—that is, to nothing beyond the expenses incidental to handling and transferring it. So they raised the banner of Absolute Free Trade; free trade at home, as well as with foreign countries; the logical carrying out of the Manchester doctrine; laissez faire the universal rule. Under this banner they began their fight upon monopolies, whether the all-inclusive monopoly of the State Socialists, or the various class monopolies that now prevail.

Of the latter they distinguished four of principal importance: the money monopoly, the land monopoly, the tariff monopoly, and the patent monopoly.

First in the importance of its evil influence they considered the money monopoly, which consists of the privilege given by the government to certain individuals, or to individuals holding certain kinds of property, of issuing the circulating medium, a privilege which is now enforced in this country by a national tax of ten per cent., upon all other persons who attempt to furnish a circulating medium, and by State laws making it a criminal offense to issue notes as currency. It is claimed that the holders of this privilege control the rate of interest, the rate of rent of houses and buildings, and the prices of goods,—the first directly, and the second and third indirectly. For, say Proudhon and Warren, if the business of banking were made free to all, more and more persons would enter into it until the competition should become sharp enough to reduce the price of lending money to the labor cost, which statistics show to be less than three-fourths of once per cent. In that case the thousands of people who are now deterred from going into business by the ruinously high rates which they must pay for capital with which to start and carry on business will find their difficulties removed. If they have property which they do not desire to convert into money

believe in it, the Anarchists none the less firmly believe in the liberty to believe in it. Any denial of religious freedom they squarely oppose.

Upholding thus the right of every individual to be or select his own priest, they likewise uphold his right to be or select his own doctor. No monopoly in theology, no monopoly in medicine. Competition everywhere and always; spiritual advice and medical advice alike to stand or fall on their own merits. And not only in medicine, but in hygiene, must this principle of liberty be followed. The individual may decide for himself not only what to do to get well, but what to do to keep well. No external power must dictate to him what he must and must not eat, drink, wear, or do.

Nor does the Anarchistic scheme furnish any code of morals to be imposed upon the individual. Mind your own business is its only moral law. Interference with another's business is a crime and the only crime, and as such may properly be resisted. In accordance with this view the Anarchists look upon attempts to arbitrarily suppress vice as in themselves crimes. They believe liberty and the resultant social well-being to be a sure cure for all the vices. But they recognize the right of the drunkard, the gambler, the rake, and the harlot to live their lives until they shall freely choose to abandon them.

In the matter of the maintenance and rearing of children the Anarchists would neither institute the communistic nursery which the State Socialists favor nor keep the communistic school system which now prevails. The nurse and the teacher, like the doctor and the preacher, must be selected voluntarily, and their services must be paid for by those who patronize them. Parental rights must not be taken away, and parental responsibilities must not be foisted upon others.

Even in so delicate a matter as that of the relations of the sexes the Anarchists do not shrink from the application of their principle. They acknowledge and defend the right of any man and woman, or any men and women, to love each other for as long or as short a

logical conclusion to which Warren and Proudhon were forced, and it became the fundamental article of their political philosophy. It is the doctrine which Proudhon named An-archism, a word derived from the Greek, and meaning, not necessarily absence of order, as is generally supposed, but an absence of rule. The Anarchists are simply unterrified Jeffersonian Democrats. They believe that the best government is that which governs least, and that that which governs least is no government at all. Even the simple police function of protecting person and property they deny to governments supported by compulsory taxation. Protection they look upon as a thing to be secured, as long as it is necessary, by voluntary association and cooperation for self-defence, or as a commodity to be purchased, like any other commodity, of those who offer the best article at the lowest price. In their view it is in itself an invasion of the individual to compel him to pay for or suffer a protection against invasion that he has not asked for and does not desire. And they further claim that protection will become a drug in the market, after poverty and consequently crime have disappeared through the realization of their economic programme. Compulsory taxation is to them the life-principle of all the monopolies, and passive, but organized, resistance to the tax-collector they contemplate, when the proper time comes, as one of the most effective methods of accomplishing their purposes.

Their attitude on this is a key to their attitude on all other questions of a political or social nature. In religion they are atheistic as far as their own opinions are concerned, for they look upon divine authority and the religious sanction of morality as the chief pretexts put forward by the privileged classes for the exercise of human authority. If God exists, said Proudhon, he is man's enemy. And in contrast to Voltaire's famous epigram, If God did not exist, it would be necessary to invent him, the great Russian Nihilist, Mikhail Bakunin, placed this antithetical proposition: If God existed, it would be necessary to abolish him. But although, viewing the divine hierarchy as a contradiction of Anarchy, they do not

by sale, a bank will take it as collateral for a loan of a certain proportion of its market value at less than one per cent. discount. If they have no property, but are industrious, honest, and capable, they will generally be able to get their individual notes endorsed by a sufficient number of known and solvent parties; and on such business paper they will be able to get a loan at a bank on similarly favorable terms. Thus interest will fall at a blow. The banks will really not be lending capital at all, but will be doing business on the capital of their customers, the business consisting in an exchange of the known and widely available credits of the banks for the unknown and unavailable, but equality good, credits of the customers and a charge therefor of less than one per cent., not as interest for the use of capital, but as pay for the labor of running the banks. This facility of acquiring capital will give an unheard of impetus to business, and consequently create an unprecedented demand for labor,—a demand which will always be in excess of the supply, directly to the contrary of the present condition of the labor market. Then will be seen an exemplification of the words of Richard Cobden that, when two laborers are after one employer, wages fall, but when two employers are after one laborer, wages rise. Labor will then be in a position to dictate its wages, and will thus secure its natural wage, its entire product. Thus the same blow that strikes interest down will send wages up. But this is not all. Down will go profits also. For merchants, instead of buying at high prices on credit, will borrow money of the banks at less than one per cent., buy at low prices for cash, and correspondingly reduce the prices of their goods to their customers. And with the rest will go house-rent. For no one who can borrow capital at one per cent. with which to build a house of his own will consent to pay rent to a landlord at a higher rate than that. Such is the vast claim made by Proudhon and Warren as to the results of the simple abolition of the money monopoly.

Second in importance comes the land monopoly, the evil effects of which are seen principally in exclusively agricultural countries,

like Ireland. This monopoly consists in the enforcement by government of land titles which do not rest upon personal occupancy and cultivation. It was obvious to Warren and Proudhon that, as soon as individualists should no longer be protected by their fellows in anything but personal occupancy and cultivation of land, ground-rent would disappear, and so usury have one less leg to stand on. Their followers of to-day are disposed to modify this claim to the extent of admitting that the very small fraction of ground-rent which rests, not on monopoly, but on superiority of soil or site, will continue to exist for a time and perhaps forever, though tending constantly to a minimum under conditions of freedom. But the inequality of soils which gives rise to the economic rent of land, like the inequality of human skill which gives rise to the economic rent of ability, is not a cause for serious alarm even to the most thorough opponent of usury, as its nature is not that of a germ from which other and graver inequalities may spring, but rather that of a decaying branch which may finally wither and fall.

Third, the tariff monopoly, which consists in fostering production at high prices and under unfavorable conditions by visiting with the penalty of taxation those who patronize production at low prices and under favorable conditions. The evil to which this monopoly gives rise might more properly be called *mis*usury than usury, because it compels labor to pay, not exactly for the use of capital, but rather for the misuse of capital. The abolition of this monopoly would result in a great reduction in the prices of all articles taxed, and this saving to the laborers who consume these articles would be another step toward securing to the laborer his natural wage, his entire product. Proudhon admitted, however, that to abolish this monopoly before abolishing the money monopoly would be a cruel and disastrous policy, first, because the evil of scarcity of money, created by the money monopoly, would be intensified by the flow of money out of the country which would be involved in an excess of imports over exports, and, second, because that fraction of the laborers of the country which is now employed

in the protected industries would be turned adrift to face starvation without the benefit of the insatiable demand for labor which a competitive money system would create. Free trade in money at home, making money and work abundant, was insisted upon by Proudhon as a prior condition of free trade in goods with foreign countries.

Fourth, the patent monopoly, which consists in protecting inventors and authors against competition for a period long enough to enable them to extort from the people a reward enormously in excess of the labor measure of their services,—in other words, in giving certain people a right of property for a term of years in laws and facts of Nature, and the power to exact tribute from others for the use of this natural wealth, which should be open to all. The abolition of this monopoly would fill its beneficiaries with a wholesome fear of competition which would cause them to be satisfied with pay for their services equal to that which other laborers get for theirs, and to secure it by placing their products and works on the market at the outset at prices so low that their lines of business would be no more tempting to competitors than any other lines.

The development of the economic programme which consists in the destruction of these monopolies and the substitution for them of the freest competition led its authors to a perception of the fact that all their thought rested upon a very fundamental principle, the freedom of the individual, his right of sovereignty over himself, his products, and his affairs, and of rebellion against the dictation of external authority. Just as the idea of taking capital away from individuals and giving it to the government started Marx in a path which ends in making the government everything and the individual nothing, so the idea of taking capital away from government-protected monopolies and putting it within easy reach of all individuals started Warren and Proudhon in a path which ends in making the individual everything and the government nothing. If the individual has a right to govern himself, all external government is tyranny. Hence the necessity of abolishing the State. This was the